

recommendations in my administration's energy plan are intended to protect the environment, help hard-hit communities, and revitalize our conservation efforts all across the country.

We have other initiatives, as well. Our Nation needs to modernize its networks for moving energy from the powerplant to the outlet on the wall. Again, you in California know that well. For almost 20 years, it's been clear that what's called Path 15, the stretch of transmission line connecting the power grids of northern and southern California, needed to be expanded and modernized. And now we're taking action to get the job done.

Energy Secretary Spence Abraham is speeding approval of the necessary permits and easements. We're going to unplug the Path 15 bottleneck. We're advancing toward an interstate electric grid to match our interstate highways and interstate phone systems.

Rising energy prices are a challenge for everyone. I believe you will find my tax relief plan will provide some help, a tax relief plan that is worth \$100 billion to the consumers all across America, including those who wear the uniform. But for some Americans and some Californians, high energy costs are more than a challenge, they're an emergency, and our Government must respond.

In February my budget—I asked Congress for \$300 million in aid for low income people struggling with rising energy bills. Today I'm announcing I'll ask Congress for an additional \$150 million in low income energy assistance, and I hope Congress acts quickly.

Energy debates sometimes throw off some sparks. But this is no time for harsh rhetoric. It's certainly no time for name calling. It's time for leadership. It's time for results. It's time to put politics aside and focus on the best interests of the people.

This is an administration that's focused on results. We're going to work together—the Federal Government, the State government, the military, and all the citizens. Speaking of citizens, you're the best of citizens. You commit your lives to our country. You dedicate yourself to something greater than yourself.

Whatever is asked of you and your fellow marines, you have given, as Abraham Lincoln said, "The last full measure of devotion." As

I look in the eyes and shake the firm grips of your fellow marines, it reminds me the Marine Corps is in good hands, and so is our country.

Thank you so very much for your hospitality and *Semper Fi*.

NOTE: The President spoke at 9 a.m. at the 1st Marine Division headquarters building. In his remarks, he referred to Lt. Gen. Michael W. Hagee, USMC, commanding general, and Sgt. Maj. Royce G. Coffee, USMC, 1st Marine Expeditionary Force; Maj. Gen. Edward Hanlon, Jr., USMC, commanding general, and Sgt. Maj. Michael G. Markiewicz, USMC, Camp Pendleton Marine Corps Base; Maj. Gen. James T. Conway, USMC, commanding general, 1st Marine Division; and Col. Paul C. Christian, USMC, commanding officer, Camp Pendleton Marine Corps Air Station.

### **Remarks to the Los Angeles World Affairs Council in Los Angeles, California**

*May 29, 2001*

Mr. Mayor, thank you very much. I think what he's saying is there's some pretty big shoes to follow when he leaves office. [Laughter] Mayor, I appreciate your leadership. Thank you for your friendship. Tell Shaq they don't fit. [Laughter]

Governor Davis, thank you so much for being here. I'm looking forward to our meeting today. I'm honored by your presence. Secretary of State Jones, thank you for being here. Members of the congressional delegation—David Dreier, Buck McKeon, Ed Royce, and Stephen Horn are here, and I'm honored that you came.

I want to thank Bruce so very much for your invitation and putting together this august crowd of fellow citizens. I want to thank Stephen Bollenbach, as well, all the officers. I especially want to thank you all for coming and giving me a chance to talk about important issues facing our Nation.

Some people say, "What brings you out here?" [Laughter] Well, there's a lot of reasons, and one is particularly profound: My cat lives here. [Laughter] When Laura and I moved to Washington we, unfortunately, had to find another home for our cat, Ernie. We loved him a lot, but we were not sure

that he was the sort of cat who could be trusted around the historic furniture in the White House. [Laughter]

Our good friend Brad Freeman, had developed a close relationship with Ernie—[laughter]—and he adopted him and brought him out here to L.A. I figured it was time to check up on both of them. [Laughter] I'm pleased to report that Ernie is doing fine. He loves Los Angeles. He's dating. [Laughter] He has an agent—[laughter]—and for some reason, he looks 10 years younger. [Laughter]

Laura and I had the wonderful honor of moving into the White House, but Ernie may be a little luckier. He gets to live in California.

I'm glad to be here today to talk about our economy and a prosperity agenda for America. These are uncertain times for our economy at home and for the economies of our friends in different parts of the world, including the Pacific rim. Yet, I know we have an opportunity to build an enduring prosperity through principled leadership and sound public policy.

So we're reducing taxes to create jobs by speeding up economic growth and encouraging capital formation. We're enacting sweeping reforms to improve our public schools and prepare our people to succeed in a high-tech economy of the future. We will negotiate open trade to find new markets for American products, from movies to electronics to California farm produce. And we will secure our Nation's energy future by generating clean and reliable power on which high-tech economy depends.

There's no better place to talk about this prosperity agenda than right here in California, our largest State and the sixth largest economy in the world. California is our Nation's biggest exporter. It receives more foreign direct investment than any other State in our Union. More than 40 percent of the Nation's venture capital is sourced here, and California is home to more than one-quarter of our computing manufacturing industry.

Our prosperity agenda is designed for the economy of our whole Nation and for the 13 percent of that economy that is located right here in the great State of California.

One important element of our prosperity agenda is now complete, the biggest tax cut in 20 years. A year ago, tax relief was supposed to be a political impossibility. Six months ago, it was supposed to be a political liability. Now, it's reality. That's an achievement that is good for our economy. It's an achievement that's good for California. It's an achievement that's good for America.

For taxpayers, tax relief will mean more money to spend and save. For parents, tax relief will make it easier to raise a child. For farmers and business owners, death tax relief will protect your property for your loved ones. And for small business, tax relief creates jobs and new opportunities.

The vast majority of small businesses pay taxes on the personal, rather than the corporate tax schedule. By cutting the rates many small businesses pay, we're putting American Government on the side of the entrepreneur, on the side of the inventors of Silicon Valley, on the side of the Korean businesspeople who have revived long blocks of Wilshire Boulevard, on the side of hundreds of thousands of Latino-owned businesses in Los Angeles alone.

Tax relief reverses one of the most ominous economic trends of recent years, a trend toward Government consuming a larger and larger share of the national income. Last year the Federal Government took a larger share of our national income than it did in 1945. We were paying wartime prices for peacetime Government. Once we fund our priorities and meet our Nation's important needs, we should return tax dollars to the people who earned them. And that's exactly what we're doing.

Tax relief is supported by Members of Congress from both political parties, who work together to serve the American people. And here, let me pay special tribute to one of the hardest working of those Members, the chairman of the House Ways and Means Committee, the first Californian ever to hold that influential post, my good friend from Bakersfield, Bill Thomas. Thanks to his leadership and the leadership of others, April 15th will be a less taxing experience for Americans.

Another item on the prosperity agenda is education reform. And here, too, the spirit

of cooperation and the spirit of getting things done in Washington is producing results for the American people. The House has passed, overwhelmingly—and I hope the Senate will pass soon—the most significant education reform in 35 years. These bipartisan reforms will require testing of all schoolchildren in grades three through eight to make sure that they are learning.

These reforms will direct additional resources to those who need help. They will give new options to parents of children in persistently failing schools. They will reduce Federal bureaucracy and strengthen local control of schools. They will help local schools reach a significant goal by funding early childhood reading programs. We will more likely make sure that no child is left behind in America. Education reform is essential to keep faith with our country's promise of equality of opportunity, and education reform is essential to our economic progress.

We're grateful that the world's most skilled workers want to come to the United States. Our technology advantage rests on the contributions of immigrants from places like India or China, Russia, Iran, and hundreds of others of countries. But while we're importing the world's best, too many Americans are locked out of the economy of a future by schools that don't teach and won't change. Our prosperity agenda will equip every American child with the skills he or she needs to do valuable work and earn a good wage.

Our prosperity agenda also includes the opening of world markets. The United States has been hamstrung at the world's negotiating tables for too long. In the 1980s and early nineties we negotiated one important trade agreement after another: the U.S.-Israel Free Trade Agreement; U.S.-Canada Free Trade Agreement; NAFTA; and the Uruguay Multilateral Round. These trade-expanding agreements enriched America and strengthened democracy around the world and in our hemisphere.

But in 1994 Presidential trade promotion authority lapsed. Since then, our trade progress has faltered. We have few better friends in the world, for example, than Chile. Yet, American goods are burdened with a higher tariff in Chile than Canadian goods.

Canada has negotiated a free trade agreement with Chile; America has not.

The growth of the world economy depends on world trade. The growth of world trade depends on American leadership. And America will lead toward freer trade, toward wider and more lasting prosperity for ourselves and for the world.

We need to advance free trade globally, regionally, and bilaterally. It is time to initiate a new global trade round, just as we have launched negotiations in our own hemisphere with the Free Trade Area of the Americas. We need congressional action on trade agreements with Jordan and Vietnam. We want to complete our free trade agreements with Chile and Singapore.

To demonstrate American leadership on all these issues, I'm asking the United States Congress to approve U.S. trade promotion authority this year. And because trade creates prosperity, and prosperity promotes democracy, I will notify Congress on June 1st that I intend to extend normal trade relation status with China for another year.

Open trade is a force for freedom in China, a force for stability in Asia, and a force for prosperity in the United States. And this is not just my personal view. The institutions and individuals in China who are the least friendly to freedom are often the least friendly to trade. The institutions and individuals most sympathetic to freedom are often the most friendly to trade. They know what I know: Free trade supports and sustains freedom in all its forms.

Free trade has expanded the portion of China's economy that is independent of the State. Free trade has swelled the ranks of independent businessmen. Free trade has introduced new technologies that offer Chinese people access to uncensored information and democratic ideas.

When we open trade, we open minds. We trade with China because trade is good policy for our economy, because trade is good policy for democracy, and because trade is good policy for our national security.

California benefits greatly from trade. More than a million jobs in this State are supported by manufactured exports alone. In

addition, California is the Nation's largest agricultural exporter. Long Beach and Los Angeles handle more traffic than any other ports in the country. This State is the headquarters of our entertainment industry, which also draws more and more of its earnings from overseas sales. Altogether, California's exports grew by more than 20 percent in the year just ended. When the world trades in freedom, it buys what California sells.

And our prosperity agenda makes a priority of energy security. We can get everything else right, but if we—if our energy supply is unreliable or unaffordable, our economy cannot thrive. For too long, America has neglected energy. The neglect ends now.

My administration has developed a comprehensive national energy policy, more than 100 recommendations to promote conservation, expand energy production, improve energy transmission, and protect the environment. We put conservation first because we have seen the important difference conservation can make. Our economy has grown by 126 percent since 1973, adjusting for inflation. Our energy use has grown by only 30 percent. To add one dollar to our gross domestic product takes only about a half as much energy as it did 30 years ago.

These are the achievements of conservation. Yet, progress on conservation slowed in the 1990s. Our energy plan will renew and reinvigorate conservation by supporting productive research into energy-saving efficiency and by offering businesses and consumers incentives to switch to new energy sources that consume less fuel and emit fewer pollutants.

Conservation is an important part of the energy equation, as Californians know. California is already an impressive conservation leader, one of the most energy-efficient States in the Union. And I commend and salute your achievement. But even California's admirable conservation effort was not, by itself, enough to keep pace with your growing demand. So our energy plan encourages to produce a diverse supply of energy in an environmentally friendly way, through safe and clean nuclear power; wind, solar, biomass, and other renewables; hydropower; clean coal; and using new technologies to tap oil and natural gas in ways that tread lightly

on the Earth. Our energy plan promotes new technologies to ensure this new supply is produced cleanly and with respect for our environment.

And Mr. Governor, I will honor my commitment to you to uphold the moratorium on new drilling leases off the coast of California.

We must do all our part to conserve energy. On May the 3d I called on all Federal agencies to take extra steps to conserve energy. And the Department of Defense immediately committed itself to reducing its electricity consumption by 10 percent at peak hours.

I visited Camp Pendleton this morning and saw the contribution our military is making. I was impressed. We estimate that Federal conservation efforts will save this State at least 76 megawatts per hour during peak periods. Seventy-six megawatts in a peak hour is enough power to supply the entire city of Pasadena.

And we must bring new supply on-line as quickly as possible. My administration has worked with your good Governor and Californian authorities to speed the approval of new powerplants, expand electricity production, and to increase the flow of natural gas into your State. But for too long, too often, too many have wasted energy, pointing fingers and laying blame. Energy is a problem that requires action—not politics, not excuses, but action. Blame shifting is not action, it's a distraction. My administration will continue to work to help California through the difficult months ahead.

All our efforts are guided by a simple test: Will any action increase supply at fair and reasonable prices? Will it decrease demand in equitable ways? Anything that meets that test will alleviate the shortage, and we will move swiftly to adopt it. Anything that fails that test will make the shortage worse. We will not take any action that makes California's problems worse. And that's why I oppose price caps. Price caps do nothing to reduce demand, and they do nothing to increase supply. This is not only my administration's position; this was the position of the prior administration.

At first blush, for those struggling to pay high energy bills, price caps may sound appealing. But their result will ultimately be more serious shortages and, therefore, even higher prices.

I want to assure Californians that the Federal Government takes very seriously our responsibility to make sure that companies are not illegally gouging consumers. I have publicly called on Federal agencies to investigate all complaints of illegal gouging and, if those complaints are justified, to take strong and appropriate action. I'm pleased that the Federal Energy Regulatory Commission has done just that. It has rolled back a record amount of overcharges where objective investigation has found abuses.

My administration is committing to doing our part to help California as it confronts its energy problems. We'll protect consumers from abuses. We'll do our part to conserve energy and to speed up the issuing of permits for new energy projects. We're committed to a new approach for a new century. Energy and the environment do not have to be competing priorities. They are shared goals, and both are important to all Americans.

For decades, California has been the place where the future happens first. Your continuing success is essential to the success of our national economy. Our shared success will come from a pro-growth tax policy, schools that teach, an open and vibrant world economy, and an abundant, affordable energy supply.

This is the agenda for every State and for all our people. We must get these fundamentals right. Yet the purpose of a strong foundation is to build something greater. Just as every individual must look for a fulfillment deeper than wealth, our Nation must seek purposes beyond prosperity. This is our history, a heritage of idealism. We want to build more than the wealth of our country; we want to build the character of our children. We want to expand more than the influence of a Nation; we want to expand the compassion of our Nation.

Our country faces problems that seem immune to affluence—addiction and abuse, fragile families and brittle values. These problems have often been immune to the policies of the past. They call America to a

deeper renewal, a renewal of the soul. They challenge our political leadership. We must find creative new ways to promote the compassion of charities and communities to meet the needs of our country. And we must do more to take the side of parents as they struggle to raise responsible, decent, motivated children. These problems also challenge every citizen to be responsible for your families, for your lives, and for loving a neighbor like you'd like to be loved yourself.

We want our wealthy Nation to be a decent, generous, and compassionate Nation. These are the goals that unite our country. These are the goals that inspire my administration. And these are the goals, when achieved, that will continue America's greatness.

It is my honor to be here. God bless California, and God bless America.

NOTE: The President spoke at 1:10 p.m. in the Los Angeles Ballroom at The Century Plaza Hotel & Spa. In his remarks, he referred to Mayor Richard J. Riordan of Los Angeles; Shaquille O'Neal, center, NBA Los Angeles Lakers; Gov. Gray Davis and Secretary of State Bill Jones of California; and Bruce E. Karatz, chairman, and Stephen F. Bollenbach, vice chairman, Los Angeles World Affairs Council.

## Remarks at Sequoia National Park, California

May 30, 2001

Thank you all very much. Gale, thank you very much. You're going to like working for Gale. She's a commonsense person who cares deeply about our national park system and about our Nation's environment. I picked a fine, fine person to lead this very important agency. And Madam Secretary, thank you for traveling with me today.

Dick, thank you very much for your fine hospitality. It's a fantastic trip up to Moro Rock. I'm a survivor of the march up to Moro—[laughter]—led by Debbie Bird, chief ranger. What a fantastic hike it was. It's a spectacular place. And it must be a joyous place to work. And for all of you who work on behalf of the people of the United States and the Park Service, I thank you very much for your service.